

APPENDIX 1

Report of the Gedling Independent Remuneration Panel in respect of the 2024/25 year

Introduction

- 1.1 The Independent Remuneration Panel was established under the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) to provide advice and recommendations to the Council on its Members' Allowances Scheme and amounts to be paid under it.
- 1.2 The panel received administrative support from the Democratic Services Manager.
- 1.3 The Panel's Terms of Reference are as follows:

The Independent Remuneration Panel will review, on an annual basis, the level and extent of allowance payments made to Borough Councillors having regard to:

- The role of Councillor and the importance of effective democratically accountable local government and community leadership; and
- The scale and complexity of the Council's operations and changes taking place in the various roles Councillors are expected to fulfil and the responsibilities attached to the various roles; and
- The time commitment required from Councillors to enable both the Council and individual Councillors to be effective in their various roles; and
- The importance of encouraging people from all backgrounds and circumstances to serve in local government without suffering financial loss because of their membership of the Council.

The Panel will also:

- Consider the level and extent of travel and subsistence allowances including dependent carers' allowance; and
- Review the payment of allowances and expenses payable in relation to attendance at seminars, conferences, and other council business.

The Panel's operation:

- The Panel is comprised of four Independent Members (we currently have a vacancy)
- Panel members are recruited by public advertisement and should be of good standing in the community either as a resident and/or a stakeholder in the Borough. Ideally members should have sound knowledge of employment and financial matters with an understanding of the operations of a local authority.
- The Panel is advisory in nature and the recommendations it makes are not binding on the authority. However, the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) requires Council to "have regard" to the Panel's recommendations when setting its allowances.

Process

- 2.1 A Strategic Review of Members' Allowances took place in 2015. The Review looked in detail at all allowances paid to members including the Basic Allowance and all positions attracting a Special Responsibility Allowance (SRA). The Review resulted in a completely rewritten scheme of members' allowances. The Panel made a series of recommendations to Council in March 2016 and a new scheme was agreed by members.
- 2.2 For the 2020 year, following the 2019 borough elections, Council adopted a revised scheme of members' allowances that better reflected the political makeup of the authority. Adjustments to the scheme were made to ensure that the amount of SRA's were better aligned to the size of a political group. Council also approved a new list of approved duties and a rate at which dependent carers allowance can be claimed.
- 2.3 For the 2023/24 years, allowances were increased by 3.5%, in line with the pay award to senior local government staff. It was also agreed that a thorough review of the scheme would be undertaken following the May 2023 elections for the 2024-25 financial year.
- 2.4 As is usual practice, all members of the Council were contacted directly and asked for their views on the current levels of allowances paid to members.
- 2.5 In order to support a full review, and to ensure useful feedback was received, a Microsoft form was created and sent out to members in the form of a survey to get their views on a range of topics. The form had 15 questions in total and asked members to provide their views on areas such as basic allowances, special responsibility allowances, travel allowances and their recommendations for the upcoming year. We received responses from 14 members of the Council.
- 2.6 The survey found that 42% of respondents were unhappy with the current level of basic members allowance, with 61% noting that they did not feel it adequately reflected the duties of a councillor. The main reason cited for this was the amount of time members spent on casework. 71% of respondents noted they were happy with the current levels of special responsibility and travel and subsistence allowances.
- 2.7 All members of the Panel contributed their views and discussed each individual allowance in the scheme in turn to discuss whether they felt it needed reviewing.

Panel's Deliberations

- 3.1 Panel members reviewed anonymised responses from members, as well as some benchmarking of allowances paid by surrounding councils of varying size and political control. Current and predicted financial information, such as inflation figures (CPI and RPI), were also reviewed to get a feel for the upcoming national financial picture.

- 3.2 The Panel heard that there had been a slight change to duties performed by members since the last review, in particular an increase of queries and scrutiny from the public. They heard that the Covid 19 pandemic was no longer an issue for the council's operations and had less impact on the financial position, but that the consistently low financial support from central government and the rising homelessness across the borough had significantly impacted finances.
- 3.3 The Panel next noted that the National Pay Award for senior local government staff had yet to be offered or agreed although an offer of around 3.8% was likely. In previous years the Panel had recommended that all member allowances increase in line with the pay award for Senior Managers but on review of financial figures and members comments, they reviewed the possibility of recommending an increase in line with inflation, namely the Consumer Price Index at 3.25%. An increase in line with RPI would be significantly higher (currently at 5.3%).

Basic Allowance

- 3.4 On the issue of the Basic Allowance, the Panel noted that several representations had been received from members for an increase and concluded that their findings and recommendations from the previous review were no longer relevant. Taking on board the several comments made on this by members, the recommendation to increase the basic allowance in line with the senior officer pay award offer, currently predicted to be around 3.8%, was therefore agreed.

Special Responsibility Allowances (SRAs)

- 3.5 As mentioned previously, the Panel reviewed each element of the level of Special Responsibility Allowances that were currently paid and benchmarked these against other councils in the area. Their review noted that no other district council included an allowance for a Business Manager in their scheme, and as such felt that it was reasonable to recommend the removal of this allowance from the scheme. As well as the comparison reasoning, they also felt the role should be paid for by the political parties and not the local taxpayer, given its administrative nature and benefit to only particular parties.
- 3.6 The Panel also reviewed the allowance for the Policy Advisor, which was not in place at any other district, and felt that this was an allowance that did not need to be included in the scheme or funded by the taxpayer. As such, it was agreed that this allowance would also be recommended to be removed from the scheme.
- 3.7 It was noted there was currently no allowance in place in the scheme for the Chair of the Appeals and Retirement Committee as this is an ad hoc Committee only called in the event of an appeal. It was felt that it was not reasonable to recommend a fee for the Chair of the committee in line with other regular committees, due to the limited frequency of the meetings but that there should be some allowance in place as such Committees can be challenging. As such, a recommendation of an allowance of £100 per meeting was agreed. It was also recommended that this

£100 be paid to Vice Chairs who were called upon to stand in for Committee chairs. Other districts had allowances in place for vice chairs as standard and whilst this was not considered necessary an ad hoc fee if called upon to chair a meeting was recommended, again at £100 per meeting.

- 3.8 Finally the Panel considered the allowances paid to co-opted members as well as mileage, subsistence, and dependent carers' allowances. The panel concluded that no adjustments to these were necessary, and these were on par with other authorities.
- 3.9 As a result of the benchmarking exercise which revealed that broadly SRA allowances were in line with other authorities, bar one exception, and reviewing the members comments, it was felt that no new information had been received to suggest a change to any other SRA. As such, the recommendation is that the current SRA's, excluding the changes above, stay as they are for the 2024/25 year.

Recommendations

- 1) That all Basic Allowances, payable from 1 April 2024, should be increased in line with the senior officer pay award offer, currently predicted to be around 3.8%, was therefore agreed; and
- 2) That the allowances for Business Managers and Policy Advisors be removed from the scheme; and
- 3) That an additional allowance be added to be paid to the Chair of Appeals and Retirement Committee of £100 per meeting, and Vice Chairs of Committees where asked to stand in, and
- 4) No other changes are made for the 2024/25 year.